

ICP GENERAL PARTNER LIMITED
Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31 December 2019

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for the Year Ended 31 December 2019**

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ICP GENERAL PARTNER LIMITED

**Company Information
for the Year Ended 31 December 2019**

DIRECTORS:

Sir N H P Bacon
R C W Odey
Lord J P Marland of Odstock
T Shenton

SECRETARY:

A S Fox FCA

REGISTERED OFFICE:

Unit A21
Jack's Place
6 Corbet Place
London
E1 6NN

REGISTERED NUMBER:

02948671 (England and Wales)

AUDITORS:

PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London
E14 4HD

ICP GENERAL PARTNER LIMITED

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

REVIEW OF BUSINESS

ICP General Partner Limited is owned by ICP Holdings Ltd, which also owns ICP Capital Ltd. ICP General Partner Limited is a Lloyd's member agent and also the general partner for Insurance Capital Partners LP. ("ICP LP")

ICP General Partner Limited provides management services to ICP LP and ICP Capital Limited, a corporate member of Lloyd's.

From 1 January 2015, as a result of reorganisation, the funding structure of ICP Capital Ltd, from which the Company receives its income was changed, to replace the mechanism of provision of Funds at Lloyd's from ICP LP via ICP Securities Ltd, with a market standard Reinsurance arrangement provided by ICP Reinsurance Ltd, a new company incorporated in the Cayman Islands.

Under these new arrangements, the Company will continue to provide services to ICP Capital Ltd and will be remunerated for those services. ICP Capital Ltd will earn commercial rate commissions under the reinsurance arrangement which will facilitate these payments.

The profit before tax was £369,571 (2018: £353,955). The exposure of ICP Reinsurance Ltd (previously ICP LP 2014 YOA and prior), to the Lloyd's underwriting market and the syndicate gross returns have been as follows:-

Year of Account	Capacity £m	Gross Return %
2006	75	25
2007	101	18
2008	77	8
2009	78	17
2010	95	3
2011	96	6
2012	101	9
2013	103	10
2014	99	12
2015	91	10
2016	93	3
2017	85	(3)
2018	92	*
2019	91	*
2020	92	*

*The 2018 year of account is expected to produce a loss before expenses of 2%. The 2018 year of account has a currently forecast range of outcomes of (7)% to 2% before expenses, although it is still early in its development. The 2019 and 2020 years of account are too early in their development to predict their outcome.

ICP LP's exposure to the Lloyd's underwriting market had been mainly through ICP Capital Ltd in all years up until 2014.

As mentioned above, as a result of a reorganisation, from the year ended 31 December 2015 the main funding has come through a reinsurance arrangement with ICP Reinsurance Ltd.

Looking ahead to 2021 our involvement will depend on the underwriting cycle as it develops in response to losses. The amount which ICP Capital Ltd will underwrite will reflect the market cycle. If there is, as expected, an upturn in any significant fashion then ICP Capital Ltd will seek to increase its exposure once more.

**Strategic Report
for the Year Ended 31 December 2019**

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risk is that losses in the Lloyd's market, in particular on those syndicates supported by the Company through ICP Capital Ltd and other entities, could reduce the amount of capital provided thereby reducing the income receivable by the Company.

The specific risks faced by syndicates are managed and controlled by the respective managing agents and are outside the direct control of the Company. The Company manages the risk faced by syndicates by monitoring the performance of the syndicates supported through analysis.

The Company has no specific concentration of credit risk. As a members' agent it is subject to continuing approval by Lloyd's and the FCA. It maintains systems and controls to ensure operational risks are minimised.

Impact of Brexit

Legislation has now been passed so that the United Kingdom has left the European Union, subject to a transition period that, currently, ends on 31 December 2020. The company does not have direct exposure to Brexit but the syndicates on which the member it advises, do have potential exposures to Brexit. However, Lloyd's now have an office in Brussels through which syndicates are able to operate very much on the same terms as previously. Therefore the company does not believe there is any impact to its operations from Brexit.

Impact of Coronavirus

The income of the company is derived from two sources, agency fees and a performance fee. Current forecasts suggest there will be no performance fees receivable on the closing of the 2017 and 2018 YOA in the next two years.

Agency fees are calculated at the commencement of a YOA and are fixed, they are due from syndicates and we do not believe they will withhold these fees as they have sufficient cash flows to pay them. The main concern is for the 2021 YOA if Business Interruption pandemic exclusion clauses are unreasonably and retrospectively changed by US lawmakers. This would fundamentally change contracts that had been written in good faith and where such exclusions had been agreed by state regulators. If such actions were to cause significant underwriting losses impacting the 2019 and 2020 YOAs, the future risk of such actions could make continued investment at Lloyd's unattractive.

However, the majority of investors, supporting the corporate member we advise, are either very high net worth individuals or trade investors and we do not see sufficient leaving after a large loss to an extent that a fall in funds to support capacity would lead to a decrease in income that would result in a trading loss. Our forecasts show that cashflow would remain sufficient to imply a going concern.

BY ORDER OF THE BOARD:

A handwritten signature in black ink, appearing to read 'T Shenton', with a horizontal line drawn underneath it.

T Shenton - Director

16 April 2020

ICP GENERAL PARTNER LIMITED

Report of the Directors for the Year Ended 31 December 2019

The directors present their report with the financial statements of the Company for the year ended 31 December 2019.

DIVIDENDS

The state of the Company's affairs as at 31 December 2019 is shown in the Financial Statements. The Company paid dividends totalling £Nil during the year ended 31 December 2019 (2018: £Nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

Sir N H P Bacon
R C W Odey
Lord J P Marland of Odstock
T Shenton

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITOR


The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are individually aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

PKF Littlejohn LLP has expressed its willingness to continue in office as auditor.

BY ORDER OF THE BOARD:



T Shenton - Director

16 April 2020

**Statement of Directors' Responsibilities
for the Year Ended 31 December 2019**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Auditors' Report to the Members of
ICP General Partner Limited**

Opinion

We have audited the financial statements of ICP General Partner Limited (the 'Company') for the year ended 31 December 2019 which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Coronavirus

We draw attention to note 2 of the financial statements, which describes the company's assessment of the Coronavirus impact on its ability to continue as a going concern. The company has explained that the events arising from the Coronavirus outbreak do not impact its use of the going concern basis of preparation nor do they cast significant doubt about the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our opinion is not modified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent Auditors' Report to the Members of
ICP General Partner Limited**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Coulson (Senior Statutory Auditor)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London E14 4HD
16 April 2020

ICP GENERAL PARTNER LIMITED**Income Statement
for the Year Ended 31 December 2019**

	Notes	2019 £	2018 £
REVENUE	3	921,641	1,057,767
Administrative expenses		<u>(552,874)</u>	<u>(704,108)</u>
OPERATING PROFIT	5	368,767	353,659
Interest receivable and similar income		<u>804</u>	<u>296</u>
PROFIT BEFORE TAXATION		369,571	353,955
Tax on profit	6	<u>(70,623)</u>	<u>(66,231)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>298,948</u></u>	<u><u>287,724</u></u>

The notes form part of these financial statements

ICP GENERAL PARTNER LIMITED

**Statement of Comprehensive Income
for the Year Ended 31 December 2019**

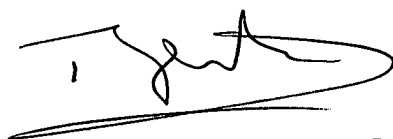
	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		298,948	287,724
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>298,948</u>	<u>287,724</u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Property, plant and equipment	7	2,472	3,583
Investments	8	<u>2</u>	<u>2</u>
		2,474	3,585
CURRENT ASSETS			
Debtors	9	2,574,731	2,481,774
Cash at bank		<u>285,845</u>	<u>84,950</u>
		2,860,576	2,566,724
CREDITORS			
Amounts falling due within one year	10	<u>(69,094)</u>	<u>(75,301)</u>
NET CURRENT ASSETS		<u>2,791,482</u>	<u>2,491,423</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,793,956</u>	<u>2,495,008</u>
CAPITAL AND RESERVES			
Called up share capital	13	400,000	400,000
Capital redemption reserve		100	100
Retained earnings		<u>2,393,856</u>	<u>2,094,908</u>
SHAREHOLDERS' FUNDS		<u>2,793,956</u>	<u>2,495,008</u>

The financial statements were approved and authorised for issue by the Board of Directors on 16 April 2020 and were signed on its behalf by:



T Shenton - Director

ICP GENERAL PARTNER LIMITED**Statement of Changes in Equity
for the Year Ended 31 December 2019**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2018	400,000	1,807,184	100	2,207,284
Changes in equity				
Total comprehensive income	<u>-</u>	<u>287,724</u>	<u>-</u>	<u>287,724</u>
Balance at 31 December 2018	<u>400,000</u>	<u>2,094,908</u>	<u>100</u>	<u>2,495,008</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>298,948</u>	<u>-</u>	<u>298,948</u>
Balance at 31 December 2019	<u><u>400,000</u></u>	<u><u>2,393,856</u></u>	<u><u>100</u></u>	<u><u>2,793,956</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2019**

1. GENERAL INFORMATION

ICP General Partner Limited is a private limited company incorporated in England and Wales. The address of the registered office is given in the Company information on page 1 of these Financial Statements. The nature of the Company's operations and principal activities are detailed in the Strategic Report.

The significant accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- From preparing a Statement of Cash Flows, based on the requirements of Section 7 Statement of Cash Flows;
- From disclosing related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transactions is wholly owned by such a member, as required by Section 33 Related Party Disclosures - paragraph 33.1A.

Preparation of consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about its group.

Group financial statements are not presented as the company is exempt by virtue of Section 400 of the Companies Act 2006 on the basis that it is a wholly-owned subsidiary of another company incorporated in the United Kingdom, which itself prepares group financial statements.

The Company is subsidiary of ICP Holdings Limited. Consolidated financial statements of ICP Holdings Limited can be obtained from:

Unit A21
Jack's Place
6 Corbet Place
London
E1 6NN

Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

2. ACCOUNTING POLICIES - continued

Going concern

The Strategic Report includes a section on Review of the Business and a section on Principal Risks and Uncertainties on pages 2 and 3.

The Company has significant financial resources and positive net assets. The Company continues to provide services to members of Lloyd's for 2019. As a consequence the Directors believe that the company continues to be able to manage its business risks successfully.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

The Coronavirus, as referred to in the directors Strategic Report and post balance sheet events note 16, is not considered to impact on the directors assessment of going concern.

Foreign currency

The functional currency is the currency of the primary economic environment in which the entity operates. The Company's functional presentation currency is the Pound Sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each reporting period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Turnover

Turnover comprises underwriting agency fees and performance fees. Underwriting agency fees are taken to credit on an accruals basis. Performance fees are recognised when there is a reasonable degree of certainty that they are receivable.

Tangible fixed assets

Tangible fixed assets are recognised at cost and depreciated over their useful economic life.

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:-

Computer equipment	3 years
Fixtures and fittings	5 years

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

2. ACCOUNTING POLICIES - continued

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in Financial Statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Operating leases

Instalments on operating lease contracts are charged to the income statement for the period to which they apply.

Investments in Subsidiaries

In these individual Company Financial Statements the investments in subsidiaries are stated at cost less impairment, based on annual review.

Financial instruments

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Share capital

Ordinary share capital is classified as equity.

Dividend distributions to shareholders

Dividend distributions to the Company's shareholders are recognised in the Financial Statements in the period in which the dividends are approved by the shareholders.

These amounts are recognised in the Statement of Changes in Equity.

Critical accounting judgements and estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The only critical accounting judgement or estimation uncertainty that, in the opinion of the directors, will have a material effect on the financial statements is the underwriting performance fee estimate, on open years of account. Performance fees are estimated based on forecasts provided by the syndicates.

The accrued net performance fees receivable are:

	2019	2018
	£	£
2016 YOA	35,932	102,817
2015 YOA	734,178	733,591
2014 YOA	31,093	11,721
2013 YOA	<u>106,729</u>	<u>69,805</u>
	<u>907,932</u>	<u>917,934</u>

3. REVENUE

The revenue and profit before taxation are attributable to the one principal activity of the Company.

An analysis of revenue by class of business is given below:

	2019	2018
	£	£
Management fees	917,362	928,755
Performance fees	<u>4,279</u>	<u>129,012</u>
	<u>921,641</u>	<u>1,057,767</u>

All the turnover relates to UK income.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

4. EMPLOYEES AND DIRECTORS

Staff costs, including Directors' emoluments were:

	2019	2018
	£	£
Salaries	215,820	384,569
Social security costs	23,938	25,366
Pension costs	10,500	10,500
Other staff costs	17,160	12,356
Consultants fees	<u>5,705</u>	<u>1,890</u>
	<u>273,123</u>	<u>434,681</u>

The 2018 salaries include an amount paid to the spouse of a deceased Director, in accordance with contract terms.

The average number of staff employed by the company was 5 (2018: 6). Pension costs relate to the contributions paid to a personal pension of one employee.

	2019	2018
	£	£
Directors' remuneration	<u>141,089</u>	<u>145,731</u>

Other than the above Directors' remuneration, there is no other key management compensation.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	2,381	4,695
Auditors' remuneration	<u>15,500</u>	<u>13,000</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	70,623	68,324
Adjustment re previous years	<u>-</u>	<u>(2,093)</u>
Tax on profit	<u>70,623</u>	<u>66,231</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>369,571</u>	<u>353,955</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	70,218	67,251
Effects of:		
Expenses not deductible for tax purposes	405	1,073
Adjustments to tax charge in respect of previous periods	-	(2,093)
	<u> </u>	<u> </u>
Total tax charge	<u>70,623</u>	<u>66,231</u>

7. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2019	20,746	42,232	62,978
Additions	<u>-</u>	<u>1,270</u>	<u>1,270</u>
At 31 December 2019	<u>20,746</u>	<u>43,502</u>	<u>64,248</u>
DEPRECIATION			
At 1 January 2019	19,606	39,789	59,395
Charge for year	<u>379</u>	<u>2,002</u>	<u>2,381</u>
At 31 December 2019	<u>19,985</u>	<u>41,791</u>	<u>61,776</u>
NET BOOK VALUE			
At 31 December 2019	<u>761</u>	<u>1,711</u>	<u>2,472</u>
At 31 December 2018	<u>1,140</u>	<u>2,443</u>	<u>3,583</u>

ICP GENERAL PARTNER LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

8. FIXED ASSET INVESTMENTS

	Investment in subsidiary £
COST	
At 1 January 2019	
and 31 December 2019	<u>2</u>
NET BOOK VALUE	
At 31 December 2019	<u>2</u>
At 31 December 2018	<u>2</u>

The investment is in ICP Securities Limited a company incorporated in Guernsey. ICP Securities Limited is a 100% owned subsidiary of ICP General Partner Limited.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed by group undertakings	1,345,086	150,826
Other debtors	95,875	72,044
Tax	82,864	34,437
Prepayments and accrued income	<u>1,050,906</u>	<u>2,224,467</u>
	<u>2,574,731</u>	<u>2,481,774</u>

Prepayments include agency fees of £126,366 (2018: £1,283,916) from group and related undertakings, accrued income includes performance fees of £907,932 due from group undertakings (2018: £917,934).

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other taxes and social security	18,937	-
Other creditors	-	23,687
Accruals and deferred income	<u>50,157</u>	<u>51,614</u>
	<u>69,094</u>	<u>75,301</u>

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	44,888	44,888
Between one and five years	<u>49,825</u>	<u>94,713</u>
	<u>94,713</u>	<u>139,601</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

12. FINANCIAL INSTRUMENTS

The Company has the following financial instruments:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost		
Other debtors (Note 9)	95,875	72,044
Amounts due by group undertakings (Note 9)	1,345,086	150,826
Cash at bank	<u>285,845</u>	<u>84,950</u>
	<u>1,726,806</u>	<u>257,307</u>
Financial liabilities measured at amortised cost		
Other creditors (Note 10)	<u>18,937</u>	<u>23,687</u>
	<u>18,937</u>	<u>23,687</u>

The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through profit or loss was £804 (2018: £296) and £Nil (2018: Nil) respectively.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
399,000	'A' Ordinary Shares	£1	399,000	399,000
1,000	'B' Ordinary Shares	£1	<u>1,000</u>	<u>1,000</u>
			<u>400,000</u>	<u>400,000</u>

The 399,000 'A' Ordinary shares confer the right to participate in all dividends and to attend or vote at general meetings. The 1,000 'B' Ordinary shares do not confer the right to participate in dividends.

14. ULTIMATE PARENT COMPANY

ICP Holdings Limited is regarded by the directors as being the Company's ultimate parent company.

The Company is a subsidiary of ICP Holdings Limited, a company registered in England & Wales. The Company's results are consolidated in the group accounts of ICP Holdings Limited, copies of which are available at Unit A21, Jack's Place, 6 Corbet Place, London E1 6NN.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

15. RELATED PARTIES

ICP Holdings Ltd is the parent company of ICP Capital Ltd, a corporate member of Lloyd's and ICP General Partner Ltd, a Lloyd's members' agent. ICP General Partner Ltd manages Insurance Capital Partners LP which, prior to a reorganisation on 1 January 2015, has provided capital to the Funds at Lloyd's ("FAL") of ICP Capital Ltd, through ICP Securities Ltd, a company incorporated in Guernsey. Insurance Capital Partners LP is not a member of the ICP Holdings group.

As at 31 December 2019, there was an amount payable to Insurance Capital Partners LP amounting to £Nil (2018: £23,687), Note 10.

Under FAL provision agreements between ICP Capital Ltd and ICP Securities Ltd, ICP Securities Ltd received interest on the FAL and a profit participation. Under loan agreements and undertakings between ICP Securities Ltd and Insurance Capital Partners LP, the latter received the benefit of the FAL interest and profit participation.

As mentioned in the Strategic Report, as a result of a reorganisation, for the 2015 underwriting year of account the relationship with Insurance Capital Partners LP and ICP Securities Ltd were replaced with arrangements with ICP Investment Holdings Ltd and ICP Reinsurance Ltd, both newly incorporated companies in the Cayman Islands. These new arrangements are described below:

- ICP Investment Holdings Ltd ("ICP IH") and ICP Reinsurance Ltd ("ICP Re") have entered into a FAL provision agreement with ICP Capital Ltd for the 2015 and subsequent years of account. The FAL has, as part of a restructuring, come from the majority of ex-partners in Insurance Capital Partners LP, in return for various Ordinary, Capital, Open Year of Account and Year of Account Shares in ICP Investment Holdings Ltd.
- In addition, ICP Reinsurance Ltd has entered into a whole account quota share Reinsurance Contract with ICP Capital Ltd for each of the years of account from 2013 to date.

Five of the directors at the relevant time, have participated as partners in Insurance Capital Partners LP for the 2007 to the 2014 years of account. One Director has participated as a partner in Insurance Capital Partners LP for the 2013 and 2014 years of account.

One Director is also a director of ICP IH and ICP Re, both companies are incorporated in the Cayman Islands as part of the reorganisation at the beginning of 2015 of the funding arrangements of ICP Capital Ltd. Included within Other Debtors at the balance sheet date are amounts due from ICP IH of £24,995 (2018: £10,200) and ICP Re of £48,441 (2018: £40,565).

Alpha Insurance Analysts Limited ("Alpha") provides Members Agency and analysis services to the Company, the cost of the services for 2019, which were on a commercial arm's length basis, were £79,500 (2018: £78,000). Within accruals at the balance sheet date is £20,625 (2018: £19,500) which is due to Alpha. Emma Royds a director of Alpha was the wife of CAA Harbord-Hamond Dec'd. The following Directors of Alpha were partners in Insurance Capital Partners LP up to and including the 2014 year of account; Emma Royds, James Sparrow and Emily Apple.

Other than as disclosed above and in Note 4, there are no other related party transactions with Directors.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

16. POST BALANCE SHEET EVENTS

After the year end Coronavirus started to impact on the UK. All staff have commenced working from home and are able to continue supply of the services demanded by our investors.

The income of the company is derived from two sources, agency fees and a performance fee. Current forecasts suggest there will be no performance fees receivable on the closing of the 2017 and 2018 YOA in the next two years.

Agency fees are calculated at the commencement of a YOA and are fixed, they are due from syndicates and we do not believe they will withhold these fees as they have sufficient cash flows to pay them. The main concern is for the 2021 YOA if Business Interruption pandemic exclusion clauses are unreasonably and retrospectively changed by US lawmakers. This would fundamentally change contracts that had been written in good faith and where such exclusions had been agreed by state regulators. If such actions were to cause significant underwriting losses impacting the 2019 and 2020 YOAs, the future risk of such actions could make continued investment at Lloyd's unattractive.

ICP General Partner Limited has no other material investments and limited fixed assets, therefore there is no impairment required from the Coronavirus.

There is not considered to be any requirement to reduce operations, or implement cost saving measures due to the Coronavirus.